

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

A.P.S.F.C. – Guarantees- Guarantees given by the Government for raising Non-SLR Bonds - Permission for raising Non-SLR Bonds to the tune of Rs.121 crores against unutilized Guarantee available with the Corporation - Orders – Issued.

INDUSTRIES AND COMMERCE (IF.Cell) DEPARTMENT

G.O.Ms.No. 240

Dated: 21.11.2009.
Read the following:-

1. G.O.Ms.No.36, Ind. & Com.(IF.Cell) Dept., dt. 05.02.2008.
2. G.O.Ms.No.251, Ind. & Com.(IF.Cell) Dept., dt. 15.09.2008.
3. Letter No.AFC/F&A/KVS/2009-10 dated 07.07.2009 from the Managing Director, A.P. State Financial Corporation, Hyderabad.

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ORDER:

In the reference 3rd read above, the Managing Director, Andhra Pradesh State Financial Corporation, Hyderabad has informed that the APSFC has raised Non-SLR Bonds to the tune of Rs.129.00 crore during February/March 2008 as against the guarantee given by the Government for Rs.150.00 crore vide G.O. 1st read above. Further, the Corporation has also raised Non-SLR Bonds of only Rs.100.00 crores during the December, 2008 out of the guarantee of Rs.200.00 crore given by the Government vide G.O. 2nd read above. Thus there is unutilized Government guarantee to the tune of Rs.121.00 crore i.e., Rs.21 crores + 100 crores.

2. The Managing Director, APSFC has requested the Government to accord permission and to issue orders for raising Non-SLR Bonds to the extent of Rs.121.00 crore against the unutilized guarantees earlier sanctioned by the Government.

3. The Government after careful examination of the request of the Managing Director, APSFC, Hyderabad, hereby accord permission for raising Non-SLR Bonds to the extent of Rs.121.00 crore against the unutilized guarantees earlier sanctioned by the Government. The Government hereby stands guarantee for repayment of Principal and payment of interest in respect of Non-SLR Bonds of Rs.121.00 crores to be floated by Andhra Pradesh State Financial Corporation repayable over a period of 10 years. The Guarantee is unconditional and irrevocable and shall be in force until the proposed bonds being issued by the Andhra Pradesh State Financial Corporation are redeemed.

4. The APSFC shall pay Guarantee Commission on Rs.121.00 crore at the rate of 1% crore for the entire guarantee period.

5. The Andhra Pradesh State Financial Corporation shall credit the 1% Guarantee Commission to MH.0075- Miscellaneous General Services 108- Guarantee Fee, (01)- Commission for guarantee given by State Government.

(P.T.O.)

6. This Order issued with the concurrence of Finance (DMC) Department vide their U.O.No._20158/165/DMC/2009 dated 31/08/2009.

(BY ORDERED AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.SAM BOB
PRINCIPAL SECRETARY TO GOVERNMENT & CIP

To
The Managing Director
A.P. State Financial Corporation, Hyderabad.
The Accountant General, AP Hyderabad.
The Reserve Bank of India, Hyderabad.
Copy to :
PS to Addl. Secretary to CM
PS to Chief Secretary
PS to M(MI)
PS to Principal Secretary & CIP, I&C Department
PS to Dy. Secretary to Government, I&C Department.
Finance (Expnr. I&C) Department
Finance (DMC) Department
Sf/Sc.

// FORWARDED: BY ORDER //

SECTION OFFICER